

News Release



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Contact: David James Gloria Della
Phone: 202-693-4676 202-693-8664

Labor Department Sues to Appoint Independent Fiduciary For Abandoned New York 401(k) Plan

NEW YORK —The U.S. Department of Labor has sued to obtain court appointment of an independent fiduciary to manage the abandoned retirement plan of Lofek Construction Corporation, Newburgh, N.Y. The suit also asks to distribute \$3,996.16 to an eligible participant and to terminate the plan.

The Lofek Construction Corporation's retirement plan was abandoned when the company ceased operations in 1993 and the plan's trustee died without naming a replacement to manage the plan.

Plans become "orphan plans" when they are abandoned by all fiduciaries designated to manage and operate them and their assets.

"This case demonstrates the department's commitment to taking action to protect the benefits promised to workers," said Jonathan Kay, acting director of the New York regional office of the Employee Benefits Security Administration (EBSA), which investigated the case.

In fiscal year 2004, EBSA achieved record monetary results of \$3.1 billion related to the pension, 401(k), health and other benefits of millions of American workers and their families. Employers and workers can contact the New York regional office at (212) 607-8600 or EBSA's toll free number at **1-866-444-EBSA (3272)** for help with problems relating to private-sector retirement and health plans.

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(Chao v. National Benefit Retirement Plan and Trust)
Civil Action No. 05 CIV 6251

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